

## Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 01757 210349Z

10

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-04 TRSE-00

LAB-04 SIL-01 SAM-01 OMB-01 AGR-05 ORM-02 DHA-02 IO-11

OPIC-03 AF-06 IGA-02 DODE-00 PM-04 H-02 L-03 NSC-05

PA-01 PRS-01 SS-15 USIA-06 ARA-06 EA-07 /131 W

----- 059530

R 201708Z FEB 76

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 572

INFO ALL EC CAPITALS 1713

AMEMBASSY LISBON

LIMITED OFFICIAL USE EC BRUSSELS 01757

PASS AGRICULTURE

E.O. 11652: N/A

TAGS: EAGR, EAID, EEC

SUBJECT: EC SKIM MILK POWDER FOOD AID

REF: (A) 75 EC BRUSSELS 10212, (B) EC BRUSSELS 00737

(C) 75 EC BRUSSELS 11424

1. BEGIN UNCLASSIFIED: THE EC COMMISSION HAS SUBMITTED A PROPOSAL TO THE COUNCIL ALLOCATING 55,000 METRIC TONS (M.T.) OF SKIM MILK POWDER UNDER THE COMMUNITY-FINANCED FOOD AID PROGRAM. THIS IS THE SAME AMOUNT AS IN LAST YEAR'S PROGRAM, SINCE THE COUNCIL DID NOT ACCEPT (DURING THE 1976 BUDGET DISCUSSIONS), ANY OF THE FOOD AID INCREASES PROPOSED BY THE COMMISSION AND SUPPORTED BY THE EUROPEAN PARLIAMENT.

2. THE COMMISSION PROPOSES THAT THE 55,000 M.T. BE DISTRIBUTED AS FOLLOWS: 22,900 M.T. DIRECTLY LDC'S, 27,7000 TONS TO  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 01757 210349Z

INTERNATIONAL ORGANIZATIONS, AND RESERVE OF 4,500 M.T.

AROUND 81 PERCENT OF THE DIRECT AID TO DEVELOPING COUNTRIES WOULD GO TO THOSE COUNTRIES ON THE MSA (MOST SERIOUSLY AFFECTED) LIST; THAT IS, COUNTRIES HAVING IMPORTANT FOOD NEEDS, A PER CAPITA INCOME OF LESS THAN \$300, AND FINANCIAL DIFFICULTIES. AROUND 55 PERCENT OF THE DIRECT AID TO DEVELOPING COUNTRIES WOULD BE DISTRIBUTED FREE OF CHARGE TO THE POPULATION.

3. THE COMMISSION ESTIMATES THE COST OF THIS FOOD AID PROGRAM AT AROUND 36 MILLION UNITS OF ACCOUNT, INCLUDING TRANSPORTATION AND DISTRIBUTION CHARGES. THIS PROPOSAL ON SKIM MILK POWDER COMPLETES THE COMMISSION'S PROPOSALS FOR THE 1976 COMMUNITY-FINANCED FOOD AID PROGRAM. THOSE FOR GRAINS AND BUTTEROIL WERE SUBMITTED LAST NOVEMBER (REF A).

4. THE COMMISSION CLAIMS THAT REQUESTS FROM 34 COUNTRIES AND ORGANIZATIONS FOR EC SKIM MILK POWDER ALREADY TOTAL ALMOST 200,000 TONS. THE 55,000 M.T. UNDER THE AVAILABLE BUDGET CREDITS WOULD HARDLY RESPOND TO THE FOOD NEEDS OF THE MSA'S, ACCORDING TO THE COMMISSION. IT WILL BE RECALLED THAT, IN THE CONTEXT OF THE EC COMMISSION AGRICULTURAL PRICE PROPOSALS FOR 1976/77, THE COMMISSION PROPOSED AN INCREASE OF SKIM MILK POWDER FOR FOOD AID TO 200,000 TONS, OF WHICH 150,000 COULD BE DELIVERED DURING 1976 (REF C). IF THIS PROPOSAL IS APPROVED BY THE COUNCIL, THE 55,000 M.T. WOULD BE INCORPORATED INTO THE 200,000 FIGURE.

5. WE SHALL FORWARD BY AIRGRAM THE FULL COMMISSION PROPOSAL (WHEN AVAILABLE) FOR THE 1976 SKIM MILK POWDER AID PROGRAM INCLUDING THE DISTRIBUTION BY COUNTRY AND INTERNATIONAL ORGANIZATION. END UNCLASSIFIED.

6. BEGIN LIMITED OFFICIAL USE: LIVIO MARINUCCI, CHIEF OF THE DIVISION HANDLING FOOD AID IN THE COMMISSION'S DIRECTORATE GENERAL FOR AGRICULTURE, TELLS US THAT PORTUGAL IS NOT INCLUDED IN THE AID PROGRAM SINCE IT IS NOT CONSIDERED A DEVELOPING COUNTRY. ALTHOUGH THE COMMISSION HAS BEEN DISCUSSING WAYS TO LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 EC BRU 01757 210349Z

USE FOOD TO AID PORTUGAL, MARINUCCI FEELS THAT THIS WILL BE DONE VIA FOOD SALES AT REDUCED PRICES AND NOT UNDER FOOD AID DONATIONS. COMMENT: MARINUCCI'S COMMENTS NOTWITHSTANDING, WE DO NOT RULE OUT THE POSSIBILITY THAT THE COMMUNITY WILL WORK OUT A SCHEME FOR PROVIDING FOOD AID UNDER A REFUGEE PROGRAM OR PROVIDE LONG TERM CREDITS FOR FOOD PURCHASES THROUGH THE AGRICULTURAL FUND (FEOGA) (REF. B). END COMMENT. HINTON

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BURDENSARING, FOOD ASSISTANCE, FOREIGN ASSISTANCE PROGRAMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 FEB 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976ECBRU01757  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760065-0055  
**From:** EC BRUSSELS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760231/aaaabarn.tel  
**Line Count:** 115  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 EC BRUSSELS 10212, 76 EC BRUSSELS 737  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 30 MAR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <30 MAR 2004 by ElyME>; APPROVED <31 MAR 2004 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EC SKIM MILK POWDER FOOD AID  
**TAGS:** EAGR, EAID, EEC  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006